

March 10, 2010

ITEM NO. B4

AUTHORIZATION TO: 1) SUBMIT AN ACQUISITION APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (“HUD”), 2) ENTER INTO A PURCHASE AGREEMENT WITH RS HOMES II LLC FOR A CERTAIN PORTION OF LAND AT THE ROOSEVELT SQUARE DEVELOPMENT AND 3) EXECUTE SUCH OTHER DOCUMENTS AS NECESSARY TO IMPLEMENT THE FOREGOING

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to: 1) Submit an Acquisition Application to HUD, 2) Enter into a Purchase Agreement with RS Homes II LLC for a certain portion of land at the Roosevelt Square development and 3) Execute such other documents as necessary to implement the foregoing.

FUNDING

Up to \$2,100,000 of HOPE VI Funds

EXPLANATION

Related Midwest, Heartland Housing and Quest Development were selected as the result of an RFP issued by the Chicago Housing Authority (“CHA”) and the court-appointed Gautreaux Receiver, Daniel E. Levin and The Habitat Company (“Receiver”), for redevelopment of the ABLA site into a mixed-income community.

The development of a community park was a critical component in the community approval of the Roosevelt Square Redevelopment Plan. On behalf of the CHA, the developer purchased Riis School from the Chicago Public Schools in July 2007 for the appraised market value of \$2,500,000 for future development of residential units and a 1.1 acre park for the Roosevelt Square community. The CHA is legally obligated to the Chicago Park District (“CPD”) under the 2003 FOSCO Park IGA to provide this land for development of the 1.1 acre park. Through acquisition of this site, CHA will fulfill its obligation to CPD and the site will be available for the Roosevelt Square community park.

The subject property is approximately 1.414 acres located at 1109 south Throop Street, just south of Taylor Street (North), Grenshaw Street (South), South Lytle Street (East) and South Throop Street (West). The appraised fair market value for the land is \$1,970,000. The full 1.414 acre site is slated for development of 21 townhome style units in addition to the new 1.1 acre community park. The community park will house a group of seven, Works Progress Administration (“WPA”) era animal sculptures by renowned artist Edgar Miller, originally

installed at the Jane Addams Homes that are currently in storage awaiting restoration and reinstallation. One of the sculptures has been restored and will be on exhibit at the Merchandise Mart as part of the *History Coming Home* show scheduled for February 16, 2010, in hopes of generating publicity to assist with fundraising activities for the remaining sculptures.

Based on the foregoing, it is in the best interest of the Chicago Housing Authority to: 1) Submit an Acquisition Application to the United States Department of Housing and Urban Development, 2) Enter into a Purchase Agreement with RS Homes II LLC for a certain portion of land at the Roosevelt Square development and 3) Execute such other documents as necessary to implement the foregoing.

RESOLUTION NO. 2010-CHA-28

WHEREAS, the Board of Commissioners has reviewed Board Letter dated March 10, 2010, requesting authorization to: 1) Submit an Acquisition Application to the United States Department of Housing and Urban Development, 2) Enter into a Purchase Agreement with RS Homes II LLC for a certain portion of land at the Roosevelt Square development and 3) Execute such other documents as necessary to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to: 1) Submit an Acquisition Application to the United States Department of Housing and Urban Development, 2) Enter into a Purchase Agreement with RS Homes II LLC for a certain portion of land at the Roosevelt Square development and 3) Execute such other documents as necessary to implement the foregoing.

